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A Lifeline for Northwoods Rail & Rural Communities

Until mine closings and rail and car ferry abandonments beginning in the 1960s,ⁱ access to rail anchored business opportunities, many well-paid jobs for skilled and unskilled and prosperity of communities throughout upper [Great Lakes Forests Region](#) (“GLFR”). Bipartisan Infrastructure Bill’s competitive grant (“BIBGrants”) holds a promise for return of that access to rail and its benefits plus new opportunities for economic development. The essential “lifeline” is funding for the benefit/cost analyses necessary to have an opportunity to effectively compete for a fair share of BIBGrant funds and investment decisions which will determine the economic opportunities for the Region, its communities and people, for decades to come.

Why a Lifeline?

- **Safety and Environment.**
 - For too long too many log and other trucks have been increasingly sharing with school buses and recreational travelers, two-lane highways not suited to so much over-the-road heavy truck traffic.
 - With return of short hauls to rail access, rescue loggers and log truckers, most family businesses, from traveling too many miles over-the-road to too distant mills, mostly with equipment designed to bring wood out of the forest (4 miles per gallon compared to as much as 8 mpg for typical over-the-road trucks today).
 - Relieve heavy concentrations of log and other trucks and related emissions at mill locations in rural communities traveling roads not designed for so much heavy truck traffic.
 - Improve the health of the forests by more closely achieving allowable cut goals (sustainable forestry practices) reducing susceptible to disease, fire and release of sequestered carbon, providing better access for recreational activities.
- **Rural Northwoods’ Opportunity to Access Bipartisan Infrastructure Bill Funding?**
 - Rural communities, development agencies, their transit commission and Rail Line Corridor Committeesⁱⁱ and their rail carriers do not now have funding necessary to compete for rail infrastructure grants to restore out-of-service rail lines.
 - The rural Northwoods communities have been organized for more than a decade in their quest for return, reconnection, of the Northwoods rail network but do not have sufficient funding of their own to gather the [Actionable Shipper Data](#)ⁱⁱⁱ and other information necessary for the benefit/cost analyses to compete for funding for the necessary rail infrastructure investments.

What is the Lifeline and Why is the Need Immediate?

- **Funding Needed to Compete for Bipartisan Infrastructure Bill Grants.**
 - Typically, those who attain competitive grants begin their work as much as a year before the Notice of Funding Opportunity (“NOFO”) is announced.
 - The immediate seed money (estimated at \$3.2 million) is needed for the Northwoods organizations to communicate and coordinate preparation to respond for BIBGrant NOFOs coming over the next year or so.
- **Immediacy is a Function of Funding and Some Specific Market Realities.**
 - BIBGrant NOFOs are already rolling out.^{iv} The funding will be spent. Without seed money funding the rural Northwoods may not be at the table.
 - Logs and other forest products alone are unlikely to be able to support a sustainable Northwoods rail network.



- Mining in Gogebic and Ontonagon Counties is near ready to resume (2023-2025) with other Northwood projects in early phase and exploratory development. Competitive rail access is necessary in the market as well as national security.

ⁱ The deterioration was accelerated by simultaneous rail and motor carrier economic deregulation in 1980. Premium rail service between the GLFR and eastern and southeastern market was not routed via Chicago but via car ferry cross-lake. With surplus capacity in trucking through the 1980s due to economic deregulations, the cross-lake traffic and other traffic left rail for truck, in turn accelerating deterioration of access to rail through the GLGR. The advent of Wisconsin Central (1988-2001) was a brief bright light all but extinguished under full control of the Canadian National (2001-2022). The advent of Watco/FOXY/GDLK offers hope for a brighter future particularly if the Region gains fair access to BIBGrants.

A forest product CEO recently put it this way: For container freight, truck between GLFR and Chicago is more expensive than rail and rail-water between Chicago and Asia, Europe or anywhere container freight might like to move.

ⁱⁱ The mission of the [Wisconsin Central Group](#) (“WCGroup”), established in June 2010: “WCGroup is an ad hoc rail freight stakeholders coalition dedicated to increasing economic opportunity and competitiveness throughout the Wisconsin Central and Great Lakes Forests Region by working collaboratively to increase freight on the region's lighter density rail lines” WCGroup’s companion shipper association, [Lake States Shippers Association](#) (“LSSA”), established 2005, with two objectives: (a) “For Logs - More Cords, Fewer Truck Miles”; and (b) “For the Region - Rail Competition for Non-Captive, Truck-Competitive Freight.” In 2012, *pro bono* legal services were provided to create the Northwoods Rail Transit Commission (“NRTC”) pursuant to an interstate cooperation agreement bringing together Wisconsin and Upper Michigan counties, a public sector organization dedicated to the same objectives as WCGroup. [WCGroup has and continues to support NRTC’s mission](#) which, with some funding assistance from the Canadian National Railway (d/b/a “CN”), included two TIGER grant applications in [2014](#) and [2015](#).

In early 2020, WCGroup adopted a Rail Line Corridors’ perspective. In July 2020 CN announced its upcoming [divestiture of a number of Northwoods rail lines](#). The subsequent award of the CN “divested” lines Watco’s [FOXY & Grand Elk](#) railroads ignited development of WCG’s [Rail Line Corridor Committees](#) designed to coordinate on-line and off-line shippers and other stakeholders to seek funding to restore and transform the rail network serving upper [Great Lakes Forests Region](#) (“GLFR”).

ⁱⁱⁱ The components of Actionable Shipper Data were developed circa 2014-2015 by the [CN/WCGroup Intermodal Committee](#). The concept was deployed, 2018-2019 in the [LCCA/MITech Data Coop Project](#) – data provided by 14 participating mills – and final report issued March 2020. The consummate commercial example of Actionable Shipper Data and related data science methodologies and applications is in the custody of [Breakthrough Fuel](#), Green Bay – “Your Strategic Transportation Management Solutions Provider”. We expect our experience in the gathering and uses of Actionable Shipper Data, along with cooperation of the railroads serving the GLFR, in the coming months, will support the benefit/cost analyses necessary for successful, competitive BIB grant funding applications.

^{iv} [“We have already announced nearly \\$84 billion in grant funding from across the department. Every few days we have another great announcement”](#) – USDOT Secretary Butigieg.

